# BOARD OF SELECTMEN REGULAR MEETING &

## JOINT MEETING WITH FINANCE COMMITTEE – FEBRUARY 4, 2013

## I. Call to Order/Roll Call

Selectman Alex Vispoli called the Regular eeting of the Board of Selectmen to order at 7:00 P.M. in the Selectmen's Conference Room at the Town Offices. Present were: Roll Call: Selectmen Alex Vispoli-Y, Brian Major-Y, Mary Lyman-Y, and Dan Kowalski-Y. Also present Town Manager Buzz Stapczynski and Town Clerk, Larry Murphy. The meeting was duly posted and cable-cast live.

Finance Committee Chairman S. Jon Stumpf opened the meeting for the Finance Committee at 7:30 P.M. Present from the Finance Committee were: Joanne Marden, Mary O'Donoghue, Mark Merritt, Peggy Kruse, Paul Fortier, Greg Serrao, Linn Anderson, and Jeannie Moffitt.

#### II. Opening Ceremonies

Selectman Vispoli asked for a Moment of Silence followed by the Pledge of Allegiance.

## III. <u>Communications/Announcements/Liaison Reports</u>

The Town Manager said a Community Presentation on the Town Yard and the proposed re-location and re-zoning will be held on Thursday, February 7<sup>th</sup> at 7:00 P.M. at the Public Safety Center. The public is welcome to come and provide input.

Town Clerk Larry Murphy reported the deadline to return nomination papers for the Town Election on March 26<sup>th</sup> is Wednesday, February 5<sup>th</sup> at 5:00 P.M. The Special Town Meeting will be held on Monday, February 11<sup>th</sup> at the Collins Center at Andover High School at 7:00 P.M. to address additional funding for the Bancroft School Project.

Selectman Kowalski recognized Andover Firefighter Wayne Merola who was honored at the Exchange Club's Annual Public Safety Officers of the Year Dinner for responding to a house fire at his neighbor's home in Haverhill. Selectman Kowalski also reported that ten members of Andover Fire Rescue participated in a physical event this past weekend to raise awareness and revenue for the American Cancer Society. The team came in third raising \$2,500.00!

#### IV. Citizens Petitions & Presentations

Bob Willard, 76 Tewksbury Street, said the page on the Town website for assessed values in not working. Data is not available on any house on the street, it is not in alphabetical order, and when trying to find Odyssey Way the site said there was no such street.

#### V. Public Hearing

# A. <u>National Grid and Verizon New England, Inc.</u>

Selectman Major motioned to approve the request of National Grid and Verizon New England, Inc. to locate poles, wires and fixtures, including The necessary sustaining and protecting fixtures, along and across the following public way: Highland Road — Install a new pole in the public way to support pole lines across the street, location is approximately 300 feet southwest of the centerline of the intersection of Chestnut Street and continuing approximately 17 feet in a northwest direction as shown on Plan #13418944, dated January 25, 2013. The request has been reviewed and approved by the Department of Public Works subject to the condition that a street opening permit must be obtained from the Department of Public Works prior to the commencement of the work. The motion was seconded by Selectman Lyman and voted 4-0 to approve.

Selectman Kowalski, following up on a previous conversation about the sixty double-poles in Town, stressed the need for the Town to work with the utility companies to remove these poles.

## VI. Joint Meeting with Board of Selectmen & Finance

### A. <u>FY-2014 Budget Presentation</u>

The Town Manager presented his FY-2014 Recommended Budget and said this year's theme is "Andover, A Community Shaping its' Future" with recognition to Robert Dennis for the WWI Memorial Auditorium picture on the cover of the Budget Book. The budget is available online at the Town's website <a href="www.andoverma.gov">www.andoverma.gov</a>. The FY-2014 recommended budget number is \$156,849,349 – an increase of \$10.1M over FY-2013.

The Town Manager said this year presents an opportunity for residents to shape the Town's future and he encouraged residents to participate and attend the Annual Town Meeting as well as the budget meetings to ask whatever questions they might have. Although he has always used the House 1 numbers for the budget, Mr. Stapczynski did not feel comfortable doing so this year as the increase in Local Aid numbers are tied to a tax package. Instead, he has prepared a level-funded budget. If additional revenue should be received, we would have a Special Town-Meeting to appropriate the funds.

#### Budget appropriations for FY-14 are as follows:

Town Departments	\$ 35,286,186	an increase of \$1,133,857
School Department	\$ 68,051,729	an increase of \$2,187,330
Fixed Costs/Obligations	\$ 21,978,717	an increase of \$1,174,744
Water & Sewer	\$ 6,748,961	an increase of \$368,648
Non-appropriated Costs	\$ 3,873,243	an increase of \$199,905
Debt Service	\$ 13,065,323	an increase of \$1,480,221
Capital Projects Fund	\$ 2,280,000	an increase of \$260,000
Offset Expenditures	\$ 2,707,890	an increase of \$791,415

Warrant Articles \$ 2,857,300 an increase of \$2,506,826

## Revenue Sources for FY-2014 include:

Property Taxes	\$ 114,516,745
Add'l Tax/Deb Exclusion	\$3,330,150
State Aid	\$11,397,559
General Local Revenues	\$9,793,675
Offset Local Revenues	\$2,133,155
Enterprise Funds	\$12,395,030
Other Available Funds	\$1,283,035
Free Cash	\$2,000,000

Total Revenue \$156,849,349 a 6.9% change over FY-2103

The Town Manager reported Property Tax income has increased an average of about \$1.5M due to receipts from personal property tax. There was slight uptick in general local revenue related to increased auto sales resulting in higher excise tax receipts. The amount of \$2,000,000 slated for the Stabilization Fund is in keeping with the goal of having 3-5% of receipts in general fund revenue in free cash which is good for our credit rating and puts us in a better position in how to use Free Cash every year. Finance Committee member Joanne Marden commented that we cannot use the additional tax monies for the Bancroft School Project for anything other than the building project, and the \$2M should be in the budget but it is important it be reflected that it is not part of the operating budget. The Town Manager also reported the Town is experiencing a healthy growth in revenue from the hotel/motel/meals tax receipts, other available funds from the Cable Franchise Fee will once again be used to fund IT projects, and Water Reserves will fund the cost of new vehicles for the Water Department and the expense of the Hydrant Flushing Program.

In FY-2014, the new Department of Municipal Services will reflect the combining of the DPW and Plant and Facilities Department into one department in this budget. There is an increase in Veteran Services due to increased requests for services from families of veterans. Utility budgets are seeing a general decrease due to new contracts for electricity and natural gas in addition to revenue for green initiatives through grants.

The Town Manager's Recommended Budget for the School Department is \$68,051,729; however the Superintendent and School Committee is asking for more discussion on revenues and resources and have not yet submitted a budget number to the Town. The Town Manager wants to have an agreed upon budget number for the School Department before the Finance Committee Book goes to print.

Superintendent McGrath and School Committee Chair Paula Colby-Clements spoke to the Board and Finance Committee about the School Budget stating they still have unanswered questions with respect to revenue sources. They have worked hard to stretch their dollars to cover costs and if using the recommended budget dollar amount they will have to cut costs instead of maintaining a high-level school system. The school system has the largest number of employees, more mandates (unfunded), and out of district expenses that are out of their control. Members of the Finance Committee feel it is necessary to have a sense of the School Department's budget number to determine what the delta looks like in order to know how to approach funding for the FY-14. Jon Stumpf said the three Chairs will be meeting on Friday to continue their discussion of the School budget and their needs.

Fixed costs (listed on page 154 in the Budget) totals \$21,978,729 using a 4% increase for health insurance. Currently, the Town has 1,397 health care subscribers up from 1,344 last year. MIAA will soon be providing more information on health insurance costs. It was suggested by the Finance Committee that the Town consider yearly bids for health insurance. The Town Manager explained that the Plan Design was changed in July of 2012 with all unions represented through the Public Employee Committee (PEC) and if there is a change in the health care carrier, it involves individual bargaining with all units. Retired teachers are covered through the GIC Plan and preliminary numbers are coming in at a 14% increase, if this holds true we should consider moving them back into the Town Plan.

The Finance Committee and Board of Selectmen discussed fixed costs, salaries, funding OPEB, employee benefits, and the first payment for the Bancroft School Project. It was agreed that the Debt Analysis Tool will help portray fixed costs and how they affect the budget dollars. Capital projects for FY-14 include the Bancroft School, Andover Youth Center, Ballardvale Fire Station, Town Yard /Municipal Services Facility.

The individual department budget presentations will be held throughout February and March cumulating with the Annual Town Meeting on Monday, May  $6^{th}$  through Wednesday, May  $8^{th}$ 

#### VII. <u>Regular Business</u>

#### A. <u>February 11<sup>th</sup> Special Town Meeting</u>

The Town Manager said the Finance Committee Report for the Special Town Meeting on February 11<sup>th</sup> is available on-line and has been mailed to residents. The Board and School Committee will make their recommendations at Town Meeting.

Selectman Lyman motioned to support the 2013 Special Town Meeting Warrant Article #1 for the Bancroft School Project as presented. The motion was seconded by Selectman Major and voted 4-0 to approve. Chairman Salafia was absent from the meeting.

#### B. Town Manager's Status Report

#### <u>Purchase Cards</u>

The Town Manager reported that Finance Director Donna Walsh will be

working with the vendor over the next few weeks with the goal to have the purchase cards available in April. She will also work with the IT Department and DCS on credit/debit purchasing.

# **IT Advisory Committee**

Anyone interested in volunteering for the IT Advisory Committee should submit a Talent Bank Form to the Town Manager – appointments will be made in mid-March.

# VIII. <u>Consent Agenda</u>

# A. <u>Appointments and Reappointments</u>

On a motion by Selectman Lyman and seconded by Selectman Major, the Board voted 4-0 that the following appointments by the Town Manager be approved:

	DEPARTMENT	POSITION	RATE	EFF. DATE	
	FIRE RESCUE				
	Brian Wright	Acting Lieutenant	G730-1-2/\$76,653	1/27/13	
	8	(v. W. Loehr)	,, -,	, , -	
		,			
	Kyle Murphy	Lieutenant	G744-1-2/\$80,303	1/27/13	
		(v. M. O'Neill)			
	DEPARTMENT OF PUBLIC WORKS – Administration				
	Rachel Ciaramitaro	Office Assistant II – PT		2/E/12	
	Rachel Claramitaro	(v. F. Johnson)	IE-12-3-0/\$22.32/hr.	2/5/13	
		(v. r. joinison)			
	DEPARTMENT OF PUBLIC WORKS – Highway Division				
		Equipment Operator II	W4-4-0/\$51,093	2/5/13	
	•	(v. S. Bernard)			
	COMMUNITY DEVELOPMENT & PLANNING DEPARTMENT				
	Lisa Finneran	Substitute Admin.			
		Secretary – PT Temp.	\$19.30/hr.	1/29/13*	
Camille Ducey-Landwehr Substitute Admin.					
		Secretary – PT Temp.	\$19.30/hr.	1/29/13*	
	Paula DelDotto	Substitute Admin.			
		Secretary – PT Temp.	\$19.30/hr.	1/29/13*	
	Julie Day	Substitute Admin.			
		Secretary – PT Temp.	\$19.30/hr.	1/29/13*	
	* As needed				

# IX. Adjournment

At 9:46 P.M. on a motion by Selectman Major and seconded by Selectman Kowalski, the Board voted 4-0 to adjourn.

On a motion by Paul Fortier and seconded by Mark Merritt, the Finance Committee voted to adjourn at 9:46 P.M.

Respectfully submitted,

Dee DeLorenzo Recorder

Documents: Public Hearing Documents/Town Clerk's Office

Finance Committee Report for Special Town Meeting